

BALLON STOLL BADER & NADLER, P.C.  
729 Seventh Avenue  
New York, NY 10019  
Telephone: (212) 575-7900  
Facsimile: (212) 764-5060  
Vincent J. Roldan  
vroidan@ballonstoll.com

*Proposed Attorneys for Debtors*

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In Re:

Chapter 11

YOSI SAMRA INC.

Case No.: 17-\_\_\_\_\_

Debtor

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**AFFIDAVIT PURSUANT TO LOCAL BANKRUPTCY RULE 1007-2**

STATE OF NEW YORK     )  
                                  )     ss.:  
COUNTY OF NEW YORK    )

I, Yosi Samra, being duly sworn, deposes and says:

1. I am the CEO and Founder of Yosi Samra, Inc. (the "Debtor"). I am familiar with the facts and circumstances as recited herein.

**Description of Business**

2. I am a second-generation shoe designer and launched the Yosi Samra footwear line in 2009. The Debtor was a pioneer designer of what would become the popular fold-up ballet flat movement, elevating the style into one that was just as superior in structure and design as it was comfortable and convenient. The Debtor's runway-inspired styles have been featured in Vogue, InStyle and Glamour Magazines and spotted on some of fashion's most trend-setting celebrities, including Sarah Jessica Parker, Anne Hathaway, and Halle Berry. The Yosi Samra

brand is available in over 1000 boutiques across the US and in 85 other countries, including 15 brand shops in Asia and The Middle East.

3. At its height in 2014, the Debtor generated over \$9.5 million per year in revenue. It currently projects about \$5.6 million in revenue for 2017. As of September 5, 2017 (the “Petition Date”), the Debtor had approximately \$1.5 million in assets, and \$6.28 million in liabilities. Of these liabilities, approximately \$661,000 is secured by a lien on the Debtor’s personal assets in favor of Sally Port Commercial Finance. My father Jacob Samra has purchase money liens of about \$696,000.

### **Events leading to bankruptcy**

#### **A. The Debtor’s Cash Flow Problems**

4. The Debtor created the foldable ballet flat and launched the brand in October 2009. Within the first week, the Debtor received 300+ emails from domestic and global retailers as well as distributors to carry the brand. At the time, I was the sole employee of the Debtor and the intent was to ship directly to consumers. As the business grew, the business shifted to wholesale. I hired a sales team, a design team, and back office accounting. The Debtor also leased warehouse and office space to service e-commerce customers.

5. The Debtor’s footwear was initially made by Rong Xhin Factory, in Guangzhou, China. This factory, however, produced low-quality goods and the Debtor began to lose distributors. As sales declined from Fall 2014 – Fall 2016, the Debtor’s cash flow suffered because overhead expenses remained fixed. The Debtor also switched factories in 2016, which led to about 4-5 months of shipping delays.

6. In late 2016, the Debtor determined to reduce overhead expenses by switching warehouses, reducing employees, streamlining its e-commerce business and moving to smaller office space. In addition, the Debtor re-focused its business away from wholesale, and towards e-commerce to ship directly to consumers.

7. The Debtor has successfully reduced overhead and can be profitable even at \$5 million in revenue per year. The Debtor, however, is still addressing past due debts and is being sued in various jurisdictions. The instant bankruptcy filing was a last resort to centralize litigation and negotiate with pre-petition creditors so that it may enjoy the “fresh start” afforded by the Bankruptcy Code.

**Additional Information Pursuant to Local Rule 1007-2(a)**

8. This case was not originally commenced under chapter 7 or 13. Local Rule 1007-2(a)(2).

9. No committee was organized prior to the order for relief. Local Rule 1007-2(a)(3).

10. The Debtor’s 20 largest unsecured creditors are listed on Exhibit A. Local Rule 1007-2(a)(4).

11. The Debtor’s 5 largest secured creditors are listed on Exhibit B. Local Rule 1007-2(a)(5).

12. The Debtor’s assets and liabilities are summarized above. Local Rule 1007-2(a)(6).

13. There are no classes of stock or other securities held by the public. Local Rule 1007-2(a)(7).

14. None of the Debtor's assets are in the possession of third parties, other than inventory currently in the possession of Seko (the warehouseman). Local Rule 1007-2(a)(8).

15. A list of premises from which the Debtor operates, and whether the premises are leased or owned, is as follows:

Address	Owned/ Leased?
530 Seventh Avenue, Suite M1, NY NY 10018	Leased
5307 E. Mockingbird Ln., 5 <sup>th</sup> Fl., Dallas TX 75206	Leased

Local Rule 1007-2(a)(9).

16. The Debtor's substantial assets and books and records are located at 530 Seventh Avenue, Suite M1, NY NY 10018. Local Rule 1007-2(a)(10).

17. There are no actions or proceedings where a judgment against the Debtors or a seizure of property may be imminent, except as follows:

Action	Status
Brandswami LLC vs. Yosi Samra, Inc., S.D.N.Y. Case No. 16-cv 3436	Judgment entered. Creditor has frozen some of Debtor's bank accounts. Enforcement stayed due to bankruptcy.

Local Rule 1007-2(a)(11).

18. The names of the individuals who comprise senior management are as follows:

Name	Title	Tenure, Responsibilities & Experience
Larry Reines	President	7 months with the Debtor. 30 years plus C-suite level experience in footwear.
Yosi Samra	CEO	Founder. Second generation shoe designer.

Local Rule 1007-2(a)(12).

19. The estimated amount of the bi-weekly payroll to employees (exclusive of officers and directors) (not including deductions for taxes) for the 30 day period following the

commencement of the case is \$27,000, for a total of \$54,000 estimated to be paid for the 30 day period). Local Rule 1007-2(b)(1).

20. The amount proposed to be paid to the Debtor's officers and directors during the 30 days following the commencement of the case is \$32,500. Local Rule 1007-2(b)(2)(A).

21. The estimated cash flow for the Debtor for the 30 day period following the bankruptcy case, as well as an estimate of any accrued but unpaid expenses for that time period, is attached as Exhibit C.

*Aaron Jacob Leach*

Notary Public

Sworn to before me this

5<sup>th</sup> day of September, 2017

*Yosi Samra*  
Yosi Samra

